

**Congress of the United States**  
**Washington, DC 20515**

January 7, 2004

Governor Arnold Schwarzenegger  
State Capitol Building  
Sacramento, CA 95814

Dear Governor Schwarzenegger:

As members of the California Congressional delegation, we write to register our opposition to proposed cuts in essential programs for children, the disabled, and other vulnerable populations. While we recognize the significant budget deficits facing the state and applaud your decision to spare some programs that were initially targeted, as outlined, your mid-year budget proposal would make cuts of almost \$4 billion, over 40% of which would come directly out of health and social service programs. In addition, your recent efforts to shield essential local government services from the loss of vehicle registration fee revenue by invoking emergency powers will require additional cuts of more than \$2.7 billion. While specific details of how these cuts will be financed are not yet available, we urge you to ensure that health and social services programs are protected.

Included in the mid-year cuts are enrollment caps on health and human services programs. These caps would be imposed on Healthy Families, the California Food Assistance Program, the AIDS Drug Assistance Program, the Children's Services Program, California State Hospitals, CalWORKS, and the Genetically Handicapped Persons Program, among others. As proposed, the caps would deny access to eligible individuals until other participants leave the program, causing large waiting lists. For the Healthy Families program, which currently serves 673,000 children, this cap is estimated to deny as many as 300,000 additional eligible children access to the program. More than 110,000 children are projected to be on a wait list for the program by the end of 2004. These children will go without medical care or be forced to use hospital emergency rooms, a more costly and already overwhelmed part of the health care delivery system.

Capping enrollment in many of the programs you have suggested will markedly reduce valuable federal funding to the state and limit our ability as Members of Congress to help ensure that California is getting its fair share of federal resources. For example, Healthy Families, like all SCHIP programs, receives an enhanced match from the federal government. Thus, for every dollar California spends on the program, the federal government matches it with two dollars. The reduction in federal funding as a result of capping enrollment would be more than \$54 million in the first year alone. Other program cuts included in your proposal would result in Medicaid and Food Stamp federal funding losses totaling more than \$800 million.

The state should not be forced to balance the budget on the backs of uninsured children, low-income families, and the disabled. Attempting to right California's budget wrongs through cuts in programs for those who are most vulnerable and least able to make their voices heard is unconscionable. We strongly encourage you to eliminate these cuts from your upcoming budget submission to the state legislature and look forward to working together to leverage federal funding sources to their fullest extent to maintain a strong federal – state partnership.

Sincerely,

Robert J. Minton

George Miller

Ken A. Newman

Pete Stark

Allen E. Schiff

Anna Eshoo

Lynn C. Woolsey

Tom Lantos

Lucille Roybal-Allard

Zoe Lofgren

Bob Filner

Mike Thompson

Madeline Waters

Joe Brea

Harold L. Berma

Bud Steiner

Diane E. Watson

Ellen Fausch

Cheri Bunn

Sam Fann

Neske Honda

Janet Kellard Jones

Barbara Lee

Lois Capps

Hille L. Solis

cc: The Honorable John Burton, Senate President pro Tem  
The Honorable Herb Wesson, Assembly Speaker  
The Honorable James Brulte, Senate Minority Leader  
The Honorable Kevin McCarthy, Assembly Minority Leader